agricultural situation

THE CROP REPORTERS MAGAZINE
U.S. DEPARTMENT OF AGRICULTURE
STATISTICAL REPORTING SERVICE • MAY 1973

SRS: KEEPING SCORE FOR THE FARMER

SRS: KEEPING SCORE FOR THE FARMER

Imagine a train long enough to stretch around the earth, with more than 3,000 miles of boxcars left over. It would be almost 29,000 miles long, and it would contain the 1972 corn crop which amounted to a staggering 5,553,000,000 bushels.

Keeping track of a crop that size from planting through harvesting is obviously no small task. But that's what the Statistical Reporting Service (SRS) does each year— and not only for corn.

SRS estimates cover some 150 crop and 50 livestock topics.

The estimates start with data gathered by mail, telephone, and personal visits with farmers, ranchers, livestock feeders, grain elevator operators, and many others. The information is summarized in State offices and transmitted to Washington for review and release.

To continue with our example of the 1972 corn crop, a year in the life of a corn grower reveals a lot about what SRS tallies can tell the farmer, and vice versa.

Joe Smith—to take a hypothetical example—operates a farm in Illinois, along with several hundred acres rented from nearby farms. Though most of his acreage last year was put to corn, he fed out some cattle and hogs to add to the farm income.

In February, as a crop reporter, Joe filled out the intentions-to-plant questionnaire, informing the SRS Crop Reporting Board that he intended to plant less corn than usual. He mailed his questionnaire to the agricultural statistician in Springfield, the State capital.

The report on intended plantings, issued in March, indicated corn acreage for the Nation was 8 percent less than the 74.1 million acres planted in 1971.

Knowing that the national outlook influences the price level, and taking into consideration modifications in the government feed grain program and other factors such as a wet spring and late planting, Joe actually planted less acreage than he had intended earlier.

For the July crop report Joe filled out and sent in another questionnaire. In it he recorded the fact that he'd planted less corn than he'd originally decided on in March. The July SRS report provides information on acreage planted to major crops. For some crops, such as soybeans and corn, it also gives a projected production figure.

This critical report was uppermost in Joe's mind now.

On July 13, when Joe got his morning newspaper, he saw the headline: USDA Projects Corn Production 9 Percent Below Last Year. This was more or less what Joe expected, based on the earlier prospective planting report.

When Joe started to harvest his corn, prices were low, as he expected—in mid-October 1972, they averaged $1.19 a bushel.

Joe assessed the situation, taking into account another important factor. From livestock reports prepared by economists using SRS cattle on feed reports and other data, Joe knew that the outlook for beef cattle was favorable. He thought about increasing his herd—and finally decided to buy more feeder cattle and feed to market weights with his own corn.

That way he hoped to make a better profit than he would have realized by selling his corn.

Of course, this single instance is greatly simplified. In the main, farmers benefit from SRS facts in an indirect manner. That is, raw data are analyzed by commodity experts and others and their findings passed on to the farmer through newspaper and magazine articles, and stories in other media.

In any given crop year there are many different and unique factors that need to be taken into consideration by those analyzing SRS data.

In 1972, for example, wet weather caused one of the latest harvesting seasons in many years. Although there was a record-high yield for corn, as ideal conditions prevailed through the growing season, total production declined 3 percent from 1971 on the basis of acreage cut back.

Still, without those all-important SRS reports Joe—and about 2 million other corn-growing farmers like him—would have little more on which to base their decisions than guesswork.

Besides farmers, other users of SRS reports include county agents, farm journalists, business analysts, bankers, merchants, and manufacturers.

Shippers, warehousemen, and others whose business is to move agricultural products across the country show a keen interest in SRS reports. For example, one of the things a railroad traffic agent has to know is the number of refrigerator cars he will need to transport fresh fruits and vegetables in a given month.

He can consult the commercial vegetable and fruit report to get an idea of the quantity ready to be shipped to market.

SPREADING THE WORD

Thanks to a machine not much bigger than an electric typewriter, SRS is speeding the flow of information to the State offices, and ultimately, to the farmer.

This latest improvement—one that promises much in terms of speed and accuracy—utilizes public telephone lines to transmit printed copy.

All but two of the 44 State offices are now equipped with one of the machines, which are connected with SRS headquarters in Washington. When the Crop Reporting Board releases a report, the information is transmitted as easily and almost as quickly as the human voice, but without the introduction of the human element.

A rate of 40 to 50 words per minute means that a full page of figures can be sent in as little as 4 minutes, or literally almost before the ink is dry.

This technique allows SRS field offices to get crop and livestock estimates to the news media and data users much quicker than is possible through the mails.

WASTE CONTROLS: WHERE THEY HURT

Installing the waste management systems necessary to comply with many proposed State and local environmental quality controls could cut incomes sharply for many of the Nation's medium-size pork producers, according to a study recently conducted by the Economic Research Service.

Such farms could encounter financial trouble since the investments required in waste management systems are not the kind that will be recouped through lower production costs or higher returns.

The ERS economists made an in-depth study of the impact of pollution abatement controls on hog enterprises in Illinois.

Illinois was selected because it ranks high in hog marketings and its enterprises are rather typical of those throughout the North Central region. In this region livestock are of major importance to farmers and to the region's and Nation's economy.

Where smallness is a plus.

About half of the hog producers in Illinois raise fewer than 150 head—although only 15 percent of Illinois hog production comes from farms of this general size. Typically these small-scale operations raise hogs on pasture; therefore, pollution abatement control costs would not be significant.

An initial investment of roughly $100 in fencing to keep the animals out of streams would probably suffice in most cases. Yearly upkeep would total about $15—which works out to about 30 cents a head. Most producers in this size category could comply fairly easily with more stringent pollution rules.

Cost crunch on the middle group.

The most serious adjustment problem is faced by medium size (500 head) open lot operations. About two-thirds of Illinois' hog production occurs on these farms. Hogs are a major source of income to these producers; thus, pollution controls affect an important part of their means of earning a living.

The economists calculated that stiffer pollution controls would force these medium size enterprises to expand the size of their manure pits, build retention basins to intercept any pit overflows, and possibly build terraces to protect the retention basins. All of the aforementioned could cost as much as $15,000 to $20,000 to a given farmer.

On top of this initial investment, changes in methods of handling wastes on these farms could boost annual operating costs by nearly $3,000—or about $6 a head.

The report suggests that costs of this magnitude are high enough to wipe out a large portion of these farmers' net returns from hogs—and it's a distinct possibility that many farmers might drop hogs out of their farm program.

Large farms already complying.

Large Illinois hog enterprises, those with about 1,500 head, have already moved in the direction of complete confinement systems with liquid waste disposal facilities.

For producers with such setups, new waste management regulations would probably entail little more than a switch from surface application to soil injection of wastes.

Costs of such a step would likely be low—involving an investment of perhaps $700 in a soil injector, and added annual operating costs of about 16 cents a hog. Considering the scale on which these farms operate, most producers could comply with stricter rules with no hardship.

Presently 15 to 20 percent of Illinois hog production is on farms with 1,500-plus market hogs.

SPOTLIGHT ON UTAH

"Farming is an avocation for many Utah farmers, rather than a vocation,' states W. Grant Lee, statistician in charge of the State's crop and livestock reporting service in Salt Lake City.

"The last agricultural census showed that two-thirds of our farmers worked off the farm at some time during the year, and nearly half worked off 200 or more days off.

"More than one-third of our 12,600 farms totaled less than 50 acres," Lee continues. "In contrast, there are large operations that run thousands of cattle or sheep on hundreds of thousands of acres."

Farms and ranches cover 13 million of Utah's 53 million acres. Most of the remaining land is under Federal control and is used for livestock, Utah's chief agricultural earner.

Livestock accounted for about four-fifths of $223.3 million in cash receipts during 1971 (latest available data). Cattle and calves, which brought in over one-third of the

Thirsty potatoes drink irrigation water in Utah, a State where rainfall is scarce. Two out of three of Utah's almost 2.2 million cropland acres are irrigated.

Utah cowboys brand and tag calves that were born on the range in March. Cattle and calves bring in more than a third of Utah's cash receipts from farming.

total, have been important since Gold Rush days, when Utahans drove cattle to California markets.

During the last two decades cattle have gained in importance—in the early 1950's they brought in only a quarter of the total cash receipts—because of labor difficulties in sheep ranching and vegetable farming. Sheep ranchers switched animals; former vegetable farmers now grow feed crops and keep stock cattle.

"Since 1950 beef cattle numbers have climbed from 423,000 to 700,000," recounts Lee. "However, milk cows on Utah farms dropped from 100,000 to 75,000 and sheep numbers fell from 1.3 million to around 900,000."

Utah ranks as the Nation's No. 6 sheep State. While some sheep stay on farms, most graze on public rangeland—on summer mountain ranges and winter desert ranges. Turkeys, mink, and chickens and eggs round out the livestock picture. Utah ranks as the Nation's No. 3 mink producer.

"Now turning to crops," says Lee, "while our spectacular canyon lands, mountains, and deserts are good for tourism, they're bad for farming. Good cropland is scarce in Utah due to lack of rainfall. In fact, cropland accounts for only 4.1 percent of the State's area, and two-thirds of that is irrigated."

Last year, Utahans harvested 1.1 million crop acres. Naturally, feed crops accounted for three-quarters of harvested acreage.

Hay led everything—586,000 acres harvested in 1972. The remaining feed crop acres were: barley, 132,000 acres; corn silage, 69,000 acres; and oats 13,000 acres.

"Wheat grew on 221,000 Utah acres last year, while vegetables, sugarbeets, potatoes, dry beans and fruit trees filled in the remaining acres," concludes Lee.

SRS EYES SORGHUM SURVEY

Late April in south Texas: Young sorghum stalks are just 18 to 24 inches tall. An SRS enumerator lays out two sample plots each 15 feet long and three rows wide. Then he counts all the stalks in the plots.

Hold it. That's objective yield technique, and SRS doesn't have an objective yield program for sorghum.

Yes, but thanks to a 10-year cooperative project between SRS and Iowa State University and some field tests in south Texas, SRS could begin an objective yield forecasting program on grain sorghum fairly easily.

SRS is exploring the possibility of such a program for sorghum because of the growing economic importance of the crop. Last year it was worth over $1 billion to U.S. farmers, twice as much as in 1962.

One sticky problem that still confronts SRS in its plans for sorghum is: how to remove grains on an immature sorghum head so that lab technicians can do the necessary weighing for yield estimates.

Sorghum heads contain about 1,000 grains each—every grain sized more or less like a BB pellet. When green, all 1,000 or so grains adhere to the head as if glued there.

FROM CARIFTA TO COMMON MARKET

The 12 member countries of the Caribbean Free Trade Association (CARIFTA) are going one step further and will form a Common Market, effective May 1. ERS economists say the market could pose a threat to some U. S. farm exports to the islands.

As a Common Market, the Caribbean countries will employ a variety of devices to strengthen their voice as a trade union. This will enable them to present a united front against exports from other nations. Equally important, it will give them leverage in upcoming negotiations with the enlarged European Community (EC), an area with which they have strong economic ties. In the talks, they will be seeking the best possible treatment for their products.

Here's how this could affect us:

The Caribbean enjoys Commonwealth trade preferences with the United Kingdom. Especially important, for example, is the high British price paid for Caribbean sugar, and preferential access provided for bananas, citrus, and other tropical products. In return for extending these preferences to the entire EC, the Caribbean could grant concessions that would shift trade in favor of the EC.

In 1971 farm exports from the EC to the countries in CARIFTA that totaled more than $1 million were: milk and cream, $4.8 million; flour from wheat and mixed grains, $3.1 million; and fresh and frozen vegetables, $1.1 million.

Though these amounts are relatively small, the EC could potentially increase them. Larger production of grains is expected to step up competition in this area. In the case of dairy products, the EC is already a large exporter. And in other areas, such as meat and meat products, the EC could vie with the United States for this small but significant market.

Proportionally, the Caribbean is not a large U.S. customer. But we do export certain commodities in quantity. For example, in fiscal 1972, CARIFTA took $27.3 million worth of grains and preparations; $18.6 million worth of animals and animal products; and $11.3 million worth of meat and meat products.

These are the commodities that would stand to lose in any give-and-take trade arrangements between the EC and the Caribbean Common Market.

COFFEE COUNT IN THE CARIBBEAN

Coffee is one of the chief export crops on the island the Dominican Republic shares with Haiti.

Every 10 years Dominican officials obtain information on the areas planted and production of coffee in the course of an agricultural census. However, data users in the coffee industry have been leery of the census statistics because they didn't jibe with tallies of coffee exports.

Consequently the government of the Dominican Republic and the Agency for International Development (AID) asked SRS in 1971 for help in developing suitable sampling materials for an agricultural information system.

The International Coffee Organization, a world trade group based in London, offered to fund in-country costs of a special coffee study if modern sampling techniques were available for collecting information on all aspects of coffee production.

The International Coffee Organization has as one of its main goals the improvement of the world's coffees—and it hoped greater detail on the Dominican Republic's coffee crop might encourage production in prime growing areas, along with improved coffee types and practices.

The initial study would provide data on tree numbers and coffee production which would be useful in measuring changes in subsequent surveys which the government of the Dominican Republic would conduct.

AID and SRS, which had already assisted several Central and South American nations with similar studies, were more than willing to go to help the Dominicans.

However, because the International Coffee Organization insisted on a fairly tight time schedule for the survey, SRS experimented with a two-part arrangement, with work involving the survey materials to be done in Washington, D.C. while other work would be done in the Dominican Republic.

The obvious question is: How could SRS collect information on coffee production in the Dominican Republic from its offices in the South Building of the Agriculture Department? The answer is, of course, it

Classroom sessions for all enumerators (opposite page) kick off the Dominican Republic's coffee survey. (Below) Enumerators use airphoto maps to locate sample segments. (Right) SRS' Clarence Dunkerley relies on horse *power to reach growers in the most rugged coffee growing areas.*

didn't. The work in Washington pertained to the development of a sample frame and the selection of the sample for the survey, not to the information on coffee production.

SRS was provided with aerial photographs and maps of the Dominican Republic. Experts in Washington used these to construct the sample frame for the study.

Meanwhile in the Dominican Republic SRS representatives Lloyd Garrett and Clarence Dunkerley worked with their Dominican counterparts on survey techniques and enumerator training.

In all, the two-part procedure cut the time from conception to actual counting to just about a year. In March of 1972 enumerators fanned out through the country to question a sample of coffee growers about their acreage, yields, and kinds and age of trees. All work was rechecked in the field by supervisory personnel—a practice which paid off handsomely in light of later events.

And in October 1972 a followup survey was conducted that asked about marketing, management, and production practices.

When all the data were in and tallied, it turned out that the special survey enumerators had counted approximately twice as much coffee as the census takers had in 1970.

The extremely tight survey controls—and the fact that their figures dovetailed with accounts of coffee exports—made the Dominican Secretariat of Agriculture and SRS overseers confident their survey statistics were right. Nevertheless they doublechecked several survey areas and soon found that the census takers had overlooked many coffee growers who were reached by the special survey enumerators.

Convinced of the survey's accuracy, the Dominican government published the results, which made headlines throughout the country. Export officials and others in the coffee trade weren't, however, particularly surprised.

So pleased was the Dominican Republic's government with the coffee survey that they used it as a model for a series of quarterly crop and livestock surveys to be started some time this year.

COMPUTERIZED CITRUS

How many oranges on an orange tree?

An accurate answer to that question is essential to good yield estimates. While trained crews of fruit counters can produce high quality counts, they may vary considerably due to human error. If a crew member has a headache, for example, he may not look as hard to find oranges.

In an effort to even out quality SRS researchers are experimenting with new methods of fruit counting.

One of the most promising involves that valuable tool, the computer.

Computerized fruit counting is still in the experimental stage. But if it proves feasible on a broader scale, it could reduce labor costs at the same time that it makes possible more consistent fruit estimates.

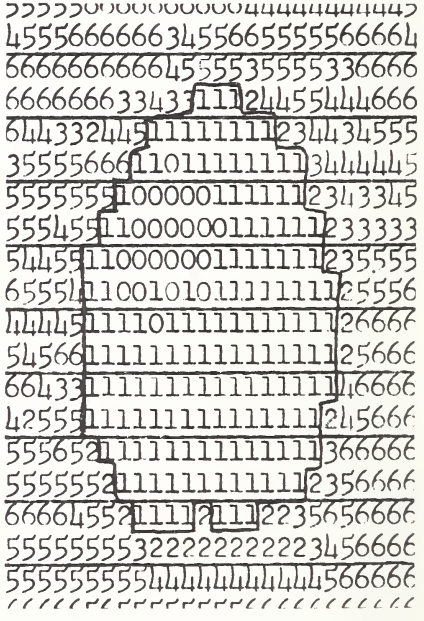
How does a computer count fruit?

First, the fruit—in this case, an orange—is photographed in its natural setting. A specialized machine called a microdensitometer classifies objects in the photograph according to optical density values, with oranges assigned a different number from leaves and branches. The readings are fed into a computer, from which emerges a printout in which the orange is identified by the numbers 0 and 1.

If problems are ironed out automated counting could begin to be used within the next few years—but it won't entirely eliminate the human element.

SRS researchers say field counts would still be used in combination with the computer which, from the point of view of just about everyone who depends on accurate fruit estimates, is literally peachy keen.

In computerized fruit counting, the orange which is visible in this photo . . .



. . . looks like this on the computer printout. It is identified by the numbers 0 and 1 which are the optical density values determined by the microdensitometer.

PLAY AT PLANNING

Natural resource development projects usually carry pretty hefty price tags—and everybody that pays for such projects needs to make sure they get their money's worth.

A planning handbook published by the Economic Research Service gives insights into the basic concepts and principles that can be applied in evaluating and deciding on the scope, content, and scale of resource development programs. While written chiefly for public officials, it's handy for citizens, too.

Pretend for a few moments that you are not a farmer but a planning specialist faced with determining the benefit-cost ratios for three much needed projects in your area: —a two-dam irrigation system that would require an investment of $14.37 million but over time would yield dollar benefits to farmers, agricultural processors, and local wholesalers and retailers of at least $39.64 million;

—a flood control levee that would cost $37.15 million but had tangible benefits over time of $52.38 million; and

—an urban water supply project using ground water which cost $15 million and had no specific dollar benefits whatsoever.

Pretend, too, that you have a budget limit of $15 million at the outset—which means you can afford only the irrigation dams *or* the urban water wells. How do you assign benefit-cost ratios to the two to see which would return the most for your money?

Quite obviously on the basis of tangible dollar benefits, the irrigation dams would be your choice.

Dividing the total investment costs of $14.37 million into total benefits of $39.64 million would leave you with a benefit-cost ratio of at least 2.75. (There would also be $630,000 left over out of the $15 million budget.)

However, foregoing the urban water project would mean urban residents would not have an adequate water supply. Consequently, health and humanitarian considerations would urge that the $15 million should be spent on installing the urban water supply wells and related distribution facilities.

In calculating your benefit-cost ratios for the urban water project, you could view the benefits as essentially equivalent to those for the irrigation dams, which was the best alternative not chosen. Thus, your benefit-cost ratios would be figured by dividing costs of $15 million into benefits of $39.64 million. The result is a ratio of 2.64.

But suppose your local legislature seemed to be in the mood to spend $30 million and you could have both irrigation dams and urban water wells *or* a flood control levee scaled down to meet your $30-million budget.

Here's how you'd figure the benefit-cost ratios in this case: for the irrigation dams, the same costs and the same benefits as before; for the urban water wells, the same costs but benefits of only $21.15 million. That's the value of the flood control benefits being sacrificed. Dividing total costs into total benefits this time would give a ratio of 2.06.

However, the benefit-cost ratio of the scaled-down flood control project would work out to only 1.70, making it a less desirable choice.

If all this sounds complicated, it is. Resource development planning can be a complex business from start to finish. But every step along the way helps insure that taxpayers are getting the most benefits from the lowest possible investment.

Outlook

DIGESTED FROM OUTLOOK REPORTS OF THE ECONOMIC RESEARCH SERVICE
FORECASTS BASED ON INFORMATION AVAILABLE THROUGH MARCH 1, 1973

RED MEAT REPORT . . . Heavy demand and high prices seem to be encouraging larger red meat production this year than last. The fed beef boom continues: 1973 output will be moderately ahead of last year's record. Pork production will probably equal 1972 as second half gains offset first half cuts.

●

BEEF DETAILS . . . Spring fed cattle marketings will probably be up . . . but only slightly . . . from April-June 1972. Latest inventory (January 1) showed 9% more cattle in feedlots in the weight groups that typically supply over half of spring slaughter. But some of these cattle won't make it to market. Severe storms in the Southwest and Midwest during early winter boosted death losses and slowed weight gains.

●

FED CATTLE PRICES during the first half will average well above the $36 of last January-June . . . but look for occasional soft spots. High feed costs this year and strong demand will lead to lighter slaughter weights than a year ago.

●

FEEDER CATTLE PLACEMENTS UP . . . The inventory January 1 showed more animals suitable for first half feeding and, with demand for fed beef staying strong, producers will probably up January-June placements on feed from the same 1972 period. That'll mean larger second half marketings . . . and some possible price slippage later in the year.

●

MARGIN ALERT . . . With feeder cattle prices soaring during 1972, feedlot operators have been selling fed cattle at a lower price per pound than the animals cost as feeders several months before. These "negative margins" are expected to continue in 1973 . . . and could spell trouble when the fed cattle market weakens.

●

TURNING TO PORK . . . The latest hog production cycle seems to have bottomed out, but it'll be a while . . . at least midyear . . . before

slaughter starts to pick up. First half marketings will trail a year ago, reflecting the smaller number of market hogs on farms. Second half marketings depend on the size of the December-May pig crop . . . and farmers have indicated they'll boost farrowings during this period by 7% over the same months a year earlier.

●

PRICE PATTERNS . . . Look for a return to normalcy this year rather than the contraseasonal runups in hog prices we've had during the past two autumns. On balance it looks as if 1973 price patterns will duplicate the 1970 situation when barrows and gilts averaged $28 per 100 pounds in February . . . weakened in the spring . . . recovered to $27 in the summer . . . then dropped sharply in the fall. One difference: This year's general price decline probably won't be as sharp as 1970's.

●

SECOND HALF OUTLOOK . . . Pork producers will probably continue in the second half of 1973 the expansion in farrowings now underway. While hog prices will soften during the year . . . especially the fall . . . corn prices should also go down some and feeding ratios should stay favorable. Given larger farrowings this fall, 1974 pork supplies would be up from this year.

●

LAYER LOW . . . The laying flock at 1973's start was down 7% from a year earlier. As we move through the year flock size will stabilize . . . then begin growing as producers hold layers longer and force molt more birds. High egg prices, too, will encourage farmers to cull fewer birds than they did in the winter and spring of 1972.

●

EGG OUTPUT AND PRICES . . . Egg output this year will probably be under 1972 . . . the small flock size will offset higher productivity. But fewer eggs will mean firmer prices. For the year they'll probably be well above the low 1972 levels.

●

BROILER BOOM OVER? . . . Strong prices during the winter apparently weren't quite enough to encourage broiler producers to expand output in face of sharply higher feed ingredient prices and uncertainty about future feed costs. Chick placements during the winter dropped under a year earlier . . . the first such falloff since late 1971 . . . and what happens during spring and summer depends largely on the feed situation.

●

BROILER PRICES in 1973 will be buoyed by continued gains in consumer disposable incomes, higher employment levels, and good prices for other high-protein foods. Spring and summer prices are likely to remain well above 1972 levels . . . fall, though, should see some weakening as the birds face stronger competition from larger pork supplies that will be reaching markets.

SOYBEAN SUPPLIES are put at 1.35 billion bushels this year, about 6% over 1971/72. As in the past 3 marketing years, the whole 1972 crop will probably be used . . . meaning carryover next September 1 will probably be near or a bit below last year's 72 million bushels.

●

EXTRA STRONG WORLD DEMAND is pushing our soybean exports to an all-time high 475 million bushels in 1972/73 . . . about 40% of the 1972 crop and some 60 million more than last year. The domestic crush will probably total about 750 million bushels, over last year but under the 1970/71 record as tight supplies are limiting crushings.

●

RECORD SOYBEAN PRICES . . . Farmers may earn an average of $4 a bushel for their soybeans in 1972/73, well above the 1947/48 peak of $3.33 and $1 over last year. Meal prices (44% protein, Decatur) will top the $90 a ton average of 1971/72. The entire 1972 crop is valued at $4.8 billion . . . up $1 billion from 1971 and second only to corn in crop value.

●

WHAT ABOUT NEXT YEAR? . . . While farmers say they'll plant more soybeans this year than last, the projected small carryover next September 1 and the continuing strong demand for beans and meal will make for tight supplies . . . and strong prices . . . over the next year or so.

●

FARM EXPORTS KEEP CLIMBING . . . If we can move the goods that our trading partners have bought or will want to buy between now and June 30, we will export an estimated $11.1 billion worth of farm products during 1972/73. This would be well over the $10 billion predicted last November and $3 billion more than the 1971/72 record. Over half of this increase reflects increased volume and the rest higher prices. The bulk of the $3 billion gain will come from wheat, feed grains, soybeans, and soybean meal.

●

SURPRISING CHINA . . . When diplomatic relations were resumed with Mainland China, it was assumed there wouldn't be much interest in U.S. farm goods. That assumption has proved wrong . . . and China's purchases from us in 1972/73 may top $150 million, compared with none the year before. Adding to their purchases earlier this season of wheat, corn, and soybean oil, the Chinese reportedly have ordered half a million bales of cotton. That would push our cotton exports up to 4½ million 480-lb. net weight bales.

●

TOTAL TRADE PICTURE . . . Agricultural exports should continue to be the bright spot in the Nation's trade picture. In all, farmers' contribution to the overall U.S. trade balance could be at an all-time high, around $4.3 billion in fiscal 1972/73, compared with $2 billion the previous fiscal year. The overall U.S. trade balance was in deficit by a record $6.4 billion for calendar 1972.

Statistical Barometer

Item	1971	1972	1973—latest available data	
Prices:				
All prices received by farmers (1967=100)	112	126	149	February
Crops (1967=100)	107	116	132	February
Livestock (1967=100)	116	133	161	February
All prices paid by farmers (1967=100)	120	127	136	February
Production items (1967=100)	115	122	134	February
Interest (1967=100)	138	149	165	February
Taxes (1967=100)	144	155	161	February
Wage rates (1967=100)	134	142	146	February
Family living items (1967=100)	119	124	131	February
Ratio[1]	94	99	110	February
Consumer price index, all items (1967=100)	121	[3]125	128	January
Food (1967=100)	118	[3]124	129	January
Farm Income:				
Volume of farm marketings (1967=100)	111	[3]111		---
Cash receipts from farm marketings ($bil.)	53.1	[3]58.5		---
Crops ($bil.)	22.6	[3]24.2		---
Livestock ($bil.)	30.5	[3]34.3		---
Realized gross farm income ($bil.)	60.1	[3]66.4		---
Production expenses ($bil.)	44.0	[3]47.2		---
Realized net farm income ($bil.)	16.1	[3]19.2		---
Income and Spending:				
Disposable personal income, total ($bil.)	744.4	[3] [4]795.1		---
Expenditures for food ($bil.)	117.3	[3]124.6		---
Share of income spent for food (percent)	15.8	[3]15.7		---
Farm Food Market Basket:[2]				
Retail cost (1967=100)	116	121	127	January
Farm value (1967=100)	114	124	140	January
Farmer's share of retail cost (percent)	38	40	43	January
Agricultural Trade:				
Agricultural exports ($bil.)	7.7	9.4	1.1	January
Agricultural imports ($bil.)	5.8	6.5	.6	January
Livestock and Poultry on Farms:				
Meat animals (1967=100)	105	107	110	February
Milk cattle (1967=100)	87	87	86	February
Poultry (1967=100)	99	97	93	February
Farm Real Estate:				
Average value of land per acre, Nov. 1 ($)	207	230	---	February
Total value of farm real estate, Nov. 1 ($bil.)	221.1	249.6	---	February

[1]Ratio of index of prices received by farmers to index of prices paid, interest, taxes, and farm wage rates.

[2]Average quantities per family and single person households bought by wage and clerical workers, 1960-61, based on Bureau of Labor Statistics figures.

[3]Annual rate, preliminary.

[4]Estimated.

AGRICULTURAL SITUATION

MAY 1973 ● VOL. 57 NO. 4

GERALDINE SCHUMACHER, EDITOR

The Agricultural Situation, published 11 times a year by USDA's Statistical Reporting Service, is distributed free to crop and livestock reporters in connection with their work. Contents of the magazine may be reprinted without permission. Use of funds for printing this publication were approved by the Office of Management and Budget, January 2, 1969. Subscription price two dollars a year (two dollars and fifty cents foreign). Single copies twenty-five cents. Order from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

U. S. GOVERNMENT PRINTING OFFICE : 1973 O - 498-759

U.S. DEPARTMENT OF AGRICULTURE

STATISTICAL REPORTING SERVICE
WASHINGTON, D.C. 20250

OFFICIAL BUSINESS
PENALITY FOR PRIVATE USE $300

To stop mailing ☐ or to change your address ☐ send mailing label on this magazine and new address to the SRS office in charge of your State.

POSTAGE AND FEES PAID
U.S. DEPARTMENT OF
AGRICULTURE
AGR 101